

## ABSTRACT OF THE DISCLOSURE

A bandwidth adjustment server (BWAS) (109) is provided which monitors system bandwidth usage, sends requests to terminals (102A, 102B and/or 106), to identify their coding capabilities, and directs each of the 5 terminals to adjust their coding algorithms based on system bandwidth usage. If system bandwidth usage is high, the BWAS (109) requires the terminals to employ a less bandwidth intensive coding algorithm; similarly, when system bandwidth usage is low, the BWAS (109) will allow the terminals to employ higher bandwidth use coding algorithms. Codec renegotiation may be 10 initiated if there is a disparity between the bandwidth allocated to new connections versus ongoing connections or an increase in data traffic.